



GOVERNMENT OF THE  
TURKS AND CAICOS ISLANDS

# SUMMARY FINANCIAL REPORT

# SEPTEMBER 2018

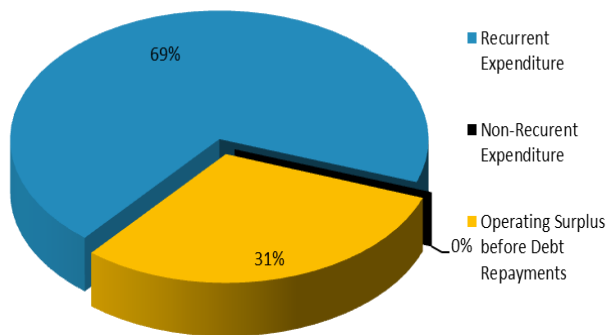
*Prepared by the Office of the Accountant General*

## OPERATING SURPLUS

	Month			Variance				Year to Date			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year		Actual	Budget	Prior Year	Budget		Prior Year	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%
Recurrent Revenue	23,947.9	19,543.1	7,612.2	4,404.8	23%	16,335.7	215%	156,719.1	140,726.0	130,359.6	15,993.1	11%	26,359.5	20%
Recurrent Expenditure	16,649.8	18,611.3	11,450.8	1,961.5	11%	(5,199.0)	(45%)	105,240.8	123,929.6	94,778.3	18,688.8	15%	(10,462.6)	(11%)
<b>Net Recurrent Surplus</b>	<b>7,298.1</b>	<b>931.7</b>	<b>(3,838.6)</b>	<b>6,366.4</b>	<b>683%</b>	<b>11,136.6</b>	<b>(290%)</b>	<b>51,478.3</b>	<b>16,796.4</b>	<b>35,581.4</b>	<b>34,681.9</b>	<b>206%</b>	<b>15,896.9</b>	<b>45%</b>
Non-Recurrent Revenue	25.0	-	4,837.2	25.0	-	(4,812.2)	(99%)	2,977.5	2,844.5	19,980.9	133.0	5%	(17,003.4)	(85%)
Non-Recurrent Expenditure	(24.3)	1,108.7	-	1,133.0	102%	24.3	-	2,305.1	5,229.9	2,796.2	2,924.8	56%	491.1	18%
<b>Operating Surplus</b>	<b>7,347.3</b>	<b>(177.0)</b>	<b>998.6</b>	<b>7,524.4</b>	<b>(4250%)</b>	<b>6,348.7</b>	<b>636%</b>	<b>52,150.6</b>	<b>14,411.0</b>	<b>52,766.0</b>	<b>37,739.7</b>	<b>262%</b>	<b>(615.4)</b>	<b>(1%)</b>

The Consolidated Fund recorded a surplus of \$7.3 million during September. This compared favorably to the budgeted deficit of \$0.2 million. This translated into a year to date surplus of \$52.2 million which was \$37.7 million (262%) ahead of the budgeted amount. On a year-over-year basis, the Consolidated Fund saw an increase when compared to September of the previous year by \$6.3 million while the year to date amount was down \$0.6 million (1%) when compared to results of the previous year.

### Revenue Distribution September 2018



**Recurrent Revenues** for the month amounted to \$23.9 million, which was \$4.4 million (23%) above budgeted revenues of \$19.5 million and up \$16.3 million from the previous year's outturn which saw curtailed economic activity due to the passage of two major storms. Year to date Recurrent Revenue totaled \$156.7 million outperforming the budgeted amount of \$140.7 million by \$16.0 million (11%). On a year-over-year basis recurrent revenues saw a

\$26.4 million (20%) increase when compared to the outturn as at September of the prior year.

**Non-recurrent Revenue** totaled \$3.0 million for the year to date, consisting mostly of \$2.3 million civil recovery settlement payment.

**Recurrent Expenditure** for September was \$16.6 million, which was \$2.0 million (11%) below the budgeted amount while being up 45% from the previous year's outturn. Year to date Recurrent Expenditure was less than the budgeted amount by \$18.7 million (15%) as well as the previous year's outturn by \$10.5 million (11%).

**Non-recurrent Expenditure** saw year to date results totaling \$2.3 million, were behind the estimates and prior year's outturn by \$3.2 million and \$0.8 million respectively due primarily to the timing of the receipt of invoices.

## CASH FLOW

	Month			Variance				Year to Date			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year		Actual	Budget	Prior Year	Budget		Prior Year	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%
<b>Cash Flow from Operations</b>	<b>7,347.3</b>	<b>(177.0)</b>	<b>998.6</b>	<b>7,524.4</b>	<b>(4250%)</b>	<b>6,348.7</b>	<b>636%</b>	<b>52,150.6</b>	<b>14,411.0</b>	<b>52,766.0</b>	<b>37,739.7</b>	<b>262%</b>	<b>(615.4)</b>	<b>-1%</b>
<b>Less:</b>														
Debt Repayments	-	-	-	-	-	-	-	(5,194.3)	(5,194.3)	(4,375.9)	.0	(0%)	(818.3)	19%
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Inflows	-	-	-	-	-	-	-	183.6	183.6	183.6	-	-	(.0)	-
Transfers from/(to) NWF	(8,001.8)	-	-	(8,001.8)	-	(8,001.8)	-	(8,001.8)	-	-	(8,001.8)	-	(8,001.8)	-
Net Working Capital	(2,754.2)	-	(9,479.5)	(2,754.2)	-	6,725.3	(71%)	189.5	-	(8,289.5)	189.5	-	8,479.0	(102%)
<b>Net Cash Flow</b>	<b>(3,408.6)</b>	<b>(177.0)</b>	<b>(8,480.8)</b>	<b>(3,231.6)</b>	<b>1825%</b>	<b>5,072.2</b>	<b>(60%)</b>	<b>39,327.7</b>	<b>9,400.3</b>	<b>40,284.2</b>	<b>29,927.4</b>	<b>318%</b>	<b>(956.5)</b>	<b>(2%)</b>

The month of September 2017 recorded a net cash deficit of \$3.4 million. Year to Date results on the other hand, recorded a positive net cash flow of \$39.3 million, which was \$29.9 million ahead of the estimates while being 1.0 million below the prior year's outturn.

To enhance the government's treasury management, an amount of \$30.0 million was placed on a fixed term deposit with CIBC First Caribbean International Bank earning interest at a rate of 1% for six (6) months. An additional amount of \$70.0 million remains in an on-call money market account at Scotiabank (Turks and Caicos). This deposit is currently earning interest at a rate of 0.55% per annum which is a negotiated 15% increase from what was previously earned. The cash flow forecast for ensuing month indicates that flows should remain positive.

## OUTSTANDING PUBLIC DEBT

Public Debt	Opening 01-Apr-17	September 30, 2018	
		Principal Repayment	Outstanding Principal
Debt Type	\$ 000's	\$ 000's	\$ 000's
TCIG Bank Loans - Unsecured	19,782.8	(5,194.3)	14,588.6
<b>Total Outstanding Public Debt</b>	<b>19,782.8</b>	<b>(5,194.3)</b>	<b>14,588.6</b>

Loan repayment for the financial year to date, totaled \$5.2 million. This brought outstanding public debt as of September 30, 2018 to \$14.6 million. All loan principal and interest payments are up to date as at September 31, 2018.

## DEVELOPMENT FUND

<i>DEVELOPMENT FUND SUMMARY</i>	EXPENDITURE	CONSOLIDATED FUND		AVAILABLE	
		CONTRIBUTION & APPROVED CONTRACT	TRANSFERS	FOR YEAR	CUMULATIVE
Opening balance				967.2	967.2
<b>2014</b>	8,051.0	14,573.8	(17.7)	6,505.1	7,472.3
<b>2015</b>	11,539.0	19,372.8	(505.2)	7,328.7	14,801.0
<b>2016</b>	23,509.5	30,999.6	(182.0)	7,308.1	22,109.1
<b>2017</b>	16,059.1	17,761.9	(420.4)	1,282.4	23,391.5
<b>Sep-18</b>	7,301.4			(7,301.4)	16,090.0
	<b>66,460.0</b>	<b>82,708.1</b>	<b>(1,125.3)</b>	<b>16,090.0</b>	

In accordance with the PFM Ordinance Section 18(2) (b), approximately \$23.4 million was retained in the Development Fund to cover the cost of projects that were deemed committed at the end of the previous financial year. These projects may span up to two years.

Approximately \$16.1 million remains available for expenditure over the life of the specific projects after expenditure on capital projects thus far for the fiscal year was \$7.3 million, relating mainly to capital projects approved in the previous financial year. Of the total spent, \$4.0 million was spent on the construction, renovation & upgrading of government building of which \$1.8 million was spent on schools throughout the islands and a further \$2.3 on road development.

Spending on capital projects is expected to increase within the second half of the financial as the procurement plan for the current financial year has been published during the second quarter and the tendering of projects listed in the current development budget has commenced. With a budget of \$36.6 million, driving capital expenditure will be a key focus for Government as this financial year progresses.

## NATIONAL WEALTH FUND

In accordance with its ordinance, the national wealth fund was funded during the month of September. The balance in the fund currently stands at \$8.0 million.

## NATIONAL FORFEITURE FUND.

The National Forfeiture Fund had a balance of \$5.0 million at September 30. No amount was committed against these funds during the period.